

1 Q. **Reference: Volume I, 2020 Capital Projects Over \$500,000, Overhaul Diesel Units, page C-53,**
2 **lines 15 to 17**

3
4 Hydro has determined, based upon the cost of replacement parts, that it may be
5 cost comparable to replace the engine instead of overhauling an engine, if the
6 engine is available with acceptable delivery.
7

8 Has Hydro completed a financial analysis based on life cycle costs for the remaining life of these
9 diesel generators to confirm *least cost*? If yes, please provide the analysis. If not, why not?
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12 A. Prior to execution, a least-cost analysis will be completed. This analysis is not based on life cycle
13 costs for the remaining life of the diesel generators but rather on the least-cost option to serve
14 with consideration given to all cost impacts (e.g., replacement part costs, new engine cost,
15 labour costs, travel time, etc.). Regardless of the option chosen (i.e., overhaul or replacement),
16 each solution will result in the unit being made ready again for service with an expected
17 availability until the next required intervention, as noted in the project description.